

UNINCORPORATED TOWN GOVERNMENTS



Bulletin No. 118

LEGISLATIVE COMMISSION
OF THE
LEGISLATIVE COUNSEL BUREAU
STATE OF NEVADA

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FIRST REPRINT

A. C. R. 20

ASSEMBLY CONCURRENT RESOLUTION NO. 20—COMMITTEE
ON GOVERNMENT AFFAIRS

MARCH 9, 1973

Referred to Committee on Legislative Functions

SUMMARY—Directs legislative commission to undertake study of county, municipal and unincorporated town governments. (BDR 1340)



EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study unincorporated towns and their relationship to county government and report to the 58th session of the legislature.

- 1 WHEREAS, Town boards and unincorporated towns fulfill an important
2 function in county government; and
3 WHEREAS, The laws governing unincorporated towns are not compre-
4 hensive or complete; now, therefore, be it
5 *Resolved by the Assembly of the State of Nevada, the Senate con-*
6 *curring,* That the legislative commission is directed to study unincorpo-
7 rated towns in Nevada and county government as it relates to such
8 unincorporated towns and submit appropriate suggestions and recom-
9 mendations for necessary legislation to the 58th session of the Nevada
10 legislature.

30

REPORT OF THE LEGISLATIVE COMMISSION

To The Members of the 58th Session of the Nevada Legislature:

This report is submitted in compliance with the perceived intention of the 57th Session of the Nevada Legislature to direct this body to study unincorporated towns and their relationship to county government. Assembly Concurrent Resolution No. 20 of the 57th session conveys this intention. A subcommittee was appointed to undertake the study and report to the 58th session of the legislature. Assemblyman R. Hal Smith was named Chairman of the subcommittee. Other members of the subcommittee were: Senator Warren L. Monroe and Assemblymen James J. Banner, Darrell H. Dreyer, Jean E. Ford, Alan H. Glover, Mary Gojack and Thomas J. Hickey.

The attached subcommittee report, containing background information, recommendations and suggested draft legislation, was approved by the legislative commission on October 16, 1974.

Respectfully submitted,

Legislative Commission
State of Nevada

Carson City, Nevada
October 1974

SUMMARY OF RECOMMENDATIONS

This summary presents the major conclusions reached by the subcommittee. These conclusions were formed after considerable deliberation on the evidence for change before it. Background information can be found in the body of the report beginning at page 6.

The subcommittee recommends:

1. That the role of unincorporated town government in Nevada be clearly stated as an adjunct of county government; that, as such, it is not to be considered another or a separate level of government.
2. That to accomplish this stated purpose of government, basic provision of law regulating unincorporated towns be included in chapter 244 of NRS, relating to county government, and present provisions of law so ordering, found in chapter 269 of NRS, be repealed (Bill A).
3. That unincorporated towns be understood to be specific unincorporated areas within a county in which one or more governmental services are provided by the county in addition to those services provided in the general unincorporated area of the county (Bill A).
4. That the residents of the unincorporated town be represented by an unincorporated town advisory board (Bill A).
5. (a) That an unincorporated town may be formed, voluntarily, by initiative petition directed to the board of county commissioners or by placing the question on the ballot or by action taken by the board of county commissioners in placing the question on the ballot (Bill A).

(b) That an unincorporated town may be formed, involuntarily, when specific unincorporated county areas are directed by federal or state law to administer one or more services provided by town government (Bill A).

6. That certain services should be identified as "town services," which may, budget permitting, be provided to unincorporated towns, so long as the town's residents consent to the payment thereof through ad valorem taxation or user fees (Bill A).
7. That certain services have been determined to be appropriate town services:
 - (a) Cemetery.
 - (b) Dump stations and sites.
 - (c) Fire (volunteer).
 - (d) Flood control and drainage.
 - (e) Garbage collection.
 - (f) Parks (neighborhood).
 - (g) Recreation.
 - (h) Sewage collection.
 - (i) Streets.
 - (j) Street lights.
 - (k) Swimming pools.
 - (l) Television translator.
 - (m) Water distribution.(Bill A)
8. That, in the exercise of its discretion, a board of county commissioners may delegate the management of one or more of such services to an unincorporated town advisory board (Bill A).
9. That, although the board of county commissioners retains control of town affairs, an unincorporated town advisory board may be enlisted in developing a tentative town budget, recommending the adoption of ordinances or a town code and in making limited expenditures for town purposes (Bill A).

10. That boards of county commissioners be required to provide a meeting time and place, at least monthly, to confer with each unincorporated town advisory board in its county and that the town's recommendations and requests must be timely disposed of with reasons given for action taken (Bill A).
11. That boundary adjustment procedure and annexation procedure be improved (Bill A).
12. That the board of county commissioners of every county presently containing an unincorporated town or special district be required to make a full report to the 59th Session of the Nevada Legislature through the legislative commission. Such report should indicate compliance with the 1975 legislation or alleged inability so to do (Bill A).
13. That disincorporation procedures be revised (Bill B).
14. That changes required by the recommendations proposed be reflected in appropriate amendments in:
 - (a) Chapter 332 of NRS (Local Government Purchasing Act).
 - (b) Chapter 350 of NRS (Counties, Municipalities and Districts: Borrowing and Bonds).
 - (c) NRS 354.470 to 354.626, inclusive (Local Government Budget Act).
 - (d) Chapter 365 of NRS (gasoline tax).
 - (e) Chapter 370 of NRS (cigarette tax).
 - (f) Chapter 463 of NRS (county gaming licenses).
 - (g) NRS 710.400 to 710.590, inclusive (Light, Water and Sewerage Systems of Unincorporated Towns).(Bill C)

REPORT TO THE LEGISLATIVE COMMISSION FROM THE SUBCOMMITTEE
ON UNINCORPORATED TOWN GOVERNMENTS

I. Introduction

The 57th Session of the Nevada Legislature manifested its intention, through Assembly Concurrent Resolution No. 20, to direct the legislative commission "to study unincorporated towns in Nevada and county government as it relates to such unincorporated towns and submit appropriate suggestions and recommendations for necessary legislation to the 58th session of the Nevada legislature."

The legislative commission appointed a legislative subcommittee to undertake the study. This subcommittee was chaired by Assemblyman R. Hal Smith of Henderson. Serving on the subcommittee were: Senator Warren L. Monroe of Elko and Assemblymen James J. Banner, Las Vegas, Darrell H. Dreyer, Las Vegas, Jean E. Ford, Las Vegas, Alan H. Glover, Carson City, Mary Gojack, Reno, and Thomas J. Hickey, North Las Vegas.

The study got underway on September 23, 1973, with an organizational meeting in Carson City. At this first meeting it was decided that a thorough review of the problems of unincorporated town governments in Nevada be conducted. Meetings around the state were planned to gain an understanding of the problems. Invitations to attend such meetings were prepared for members of the various boards of county commissioners, county officers, members of town boards and citizens' advisory councils.

Questionnaires were prepared and delivered, in advance of the meetings, to the persons invited to attend such meetings. These questionnaires solicited information of a general background nature relating to the demography and history of each town. Statistical information was also collected on the variations in the makeup of governing bodies, sources of revenue and kinds of service provided (Exhibit I).

The response to the questionnaires was gratifying. Replies were received from 37 of the 39 unincorporated towns addressed. These replies were tabulated. The information proved an

invaluable resource bank for the subcommittee. Copies of the individual town questionnaires, as well as copies of the tabulations, are available for inspection at the research office of the legislative counsel bureau in Carson City.

A series of public hearings was held around the state:

Elko	November 19, 1973
Carson City	November 26, 1973
Tonopah	December 6, 7, 1973
Las Vegas	January 28, 29, 1974

These meetings were well attended and there was active participation by those who attended. Letters were directed to all persons known by the subcommittee to have any interest in the particular unincorporated town under discussion at the scheduled meeting (Exhibit II).

Following these meetings, the subcommittee met in workshop sessions in Las Vegas on May 16, 1974, and July 25, 1974.

II. Nevada Towns Examined

Town government has been an elemental force in Nevada government since the territorial days. The Nevada constitution, by numerous references, bears witness to that. In article 4 the sanction against the passage of certain local or special laws includes, variously, towns and townships.

In article 6, provision is made for the legislature to establish municipal courts within incorporated cities and towns. Article 8 requires the legislature to provide for the organization of cities and towns. The constitutional prohibition against the state's assuming the debts of any county, city or town is fixed by article 9.

Upon examination, the constitutional language is seen to cradle three sorts of towns, viz., townships, towns and incorporated towns. The first and last mentioned rate express treatment in the constitution. The middle term, "town" can claim no descriptive individuality, because it is either an associated term, as in "incorporated cities and towns," or it is an enumerative term, as in "any county, town, or city of this state."

Townships are geographic portions of counties, which are created by boards of county commissioners from time to time. These political subunits of a county, taken together, account for all the county's geographic area, incorporated as well as unincorporated. There is no mistaking the reference and no mistaking the function, whenever the term "township" appears in the written text of the law. The coroner, constable and justice of the peace are commonly associated with this political subunit of the county.

Incorporated towns have the distinction of being frequently mentioned in both the Nevada constitution and Nevada Revised Statutes. One never encounters an incorporated town, however. The incorporated town, as distinguished from the incorporated city, simply is not a part of the Nevada political scene.

Notwithstanding the fact that there is no constitutionally identified form of local government denominated "unincorporated town," the legislature has provided a political framework for this popular species of local government. Chapter 269 of NRS recognizes the unincorporated town, albeit imperfectly.

Unincorporated towns are more numerous than incorporated cities in Nevada. Six counties, Douglas, Esmeralda, Eureka, Lander, Mineral and Storey, contain no incorporated cities whatsoever. Seven of Nevada's 16 incorporated cities (aside from Carson City) are scattered among as many counties. Two are located in Washoe County, three in Elko County and four in Clark County.

Thirty-nine unincorporated towns dot the map of Nevada. In the 12 counties where they are found, their incidence ranges from two in Esmeralda, Eureka, Lander, Lyon and Storey counties through three in Douglas, Elko, Lincoln, Mineral and White Pine counties, five in Nye County to nine in Clark County. By name the roll call of unincorporated towns evokes mental images of mining camps, agricultural communities and burgeoning suburban population: Alamo, Austin, Battle Mountain, Beatty, Bunkerville, Crescent Valley, East Las Vegas, Eureka, Fernley, Gardnerville, Genoa, Goldfield, Gold Hill, Hawthorne, Jackpot, Logandale, Lund, Luning, Manhattan, McGill, Mesquite, Mina, Minden, Montello, Mountain City,

Overton, Pahrump, Panaca, Paradise, Pioche, Round Mountain, Ruth, Searchlight, Silver City, Silver Peak, Sunrise Manor, Tonopah, Virginia City and Winchester.

The distinguishing features of the unincorporated town are population and special town services. Like the remainder of the unincorporated area of the county it receives a certain level of services. In addition and, largely, because of its relatively greater population density, the unincorporated town receives certain town services, which are not available to the rest of the unincorporated area of the county.

These services, such as street lighting, water system, sewer system and solid waste disposal, are provided by the county through ad valorem taxation produced in the town as well as through revenue obtained from user fees.

Other methods of funding local government services derive, principally, from the capability produced by the organization of special districts, general improvement districts, fire protection districts and water conservancy districts. These districts represent another level of local government, apart from the government associated with counties, towns and cities. Significant evaluation of the force and effect of district services and financing on the traditional levels of local government is possible only through a separate or a continuing study of local government.

The population aspect of the unincorporated town's distinctive place in Nevada's local government inventory is amorphous. Density is normally greater than that of the general unincorporated area of the county. No demographic formula is found in law, by which general unincorporated area becomes that particular area thenceforth known as an unincorporated town. No such formula moves an unincorporated town along, assembly line fashion, to the status of incorporated city.

On the basis of 1973 estimates, population of the various unincorporated towns in Nevada ranges from Gold Hill's 40 to Sunrise Manor's 27,040. Of the estimates available, eight towns have populations under 300, seven, between 300 and 500, six, between 500 and 1,000, three, between 1,000 and 2,000, three, between 2,000 and 5,000 and two, over 5,000. This signifies no pattern, other than that the majority of the towns have population figures no greater than 1,000.

There manifestly has to be a correlation between population density and the number and kind of town services required. The only population limits established by law have reference to incorporated cities. So-called general law cities, as contrasted with charter cities, are ranked cities of the first class, second class or third class if their population figures are 20,000 or more, between 5,000 and 20,000 or less than 5,000, respectively. Chapter 266 of NRS recognizes that the burdens on municipal government may be accommodated by adjusting the size of the city council to correspond with the class of city. Chapter 265 of NRS takes into account the minimum population required for the formation of a city, declaring that no city or town may be organized as an incorporated city unless more than 250 electors reside within its limits. Further, when the population of an incorporated city drops below 150 electors, such city shall be disincorporated. These provisions of law give legal recognition to the correlation between population density and the ability to support municipal services.

III. Variations Under and Outside the Law

The form, powers and functions of unincorporated town governments in Nevada are established by the provisions of chapter 269 of NRS.

Under the law, the governing body of an unincorporated town may be either the board of county commissioners or, for any town in a county having a population of less than 100,000, as determined by the 1970 national census, the governing body may be a five-member town board. If the latter form is chosen, two members of the board must be current members of the board of county commissioners.

With the exception of Crescent Valley, none of Nevada's unincorporated towns has indicated any real interest in adopting the so-called "town board" form of government, which is provided in NRS 269.016 to 269.022, inclusive. The underlying reluctance to adopt a form of government more in keeping with home rule status is generally conceded to be due to the unworkable scheme which requires two members of the board of county commissioners to serve on the town board.

The 57th session of the legislature produced legislation which recognized the need for liaison between town and county and

the importance of "bringing to bear on the problems of the town the knowledge of a representative group of residents thereof." This legislation, NRS 269.024 to 269.0248, inclusive, provided for the creation of citizens' advisory councils.

Certain county ordinances, on the basis of this enabling legislation, have been adopted creating citizens' advisory councils. The legislation does not affect the basic powers and functions structure of town government, which is provided in chapter 269 of NRS. It does have a salutary effect on the form of government by opening up enlightened communication between town and county.

The evolution of the law from territorial days on, with regard to town government, has been such as to leave some doubt as to the clear purpose of the legislature. There has been interchangeable use of such terms as "town," "township" and "city." This has produced confusion and provided little or no guidance for those concerned with the identification of a town and its vitality. Documentation on this subject, alluded to under the subheading "Nevada Towns Examined," could be the subject of further study if the legislature deems continuing research into local government essential to the orderly, future growth of the state.

Boundary adjustments and annexation alternatives are inadequately covered in the present law. There is sufficient ambiguity in many of the provisions of chapter 269 of NRS to warrant a variety of interpretations respecting legitimate powers and duties of town governments.

Over all else is the lack of uniformity in applying the law. Each town in Nevada has to one degree or another, almost without exception, found authority for its own "variety" of town government. The subcommittee encountered a few examples of town government operation that simply exceeded the bounds of legality.

Without exception, however, the subcommittee found that, where there was departure from authorized town government endeavor, each town was proceeding in its own time-honored pattern or it was undertaking responsibilities deemed essential to the town's welfare.

This widespread disparity in the application of the present law, whatever the reason, persuaded the subcommittee that a general review and clarification of existing law was imperative.

IV. Conclusions

The overriding impression left with the subcommittee has been that town government must be viewed as a true form of county government, not as a separate layer or level of government. To this end it recommends that appropriate provision for town government be located in chapter 244 of NRS, relating to county government.

So long as provision for town government remains in chapter 269 of NRS there remains the suggestion, at least, that the legislature intends towns to be considered a variant of municipalities. Chapter 269 of NRS is a part of Title 21 of NRS, relating to cities and towns. Repeal of chapter 269 of NRS is, therefore, recommended.

The subcommittee further recommends that necessary changes be made in the essential provisions of chapter 269 of NRS, which should then be incorporated in chapter 244 of NRS, together with the new provisions needed to effectuate the recommendations of the subcommittee respecting the form, powers and functions of town government.

The "Summary of Recommendations" along with the recommended legislation, appearing in this report as Bill A, Bill B and Bill C, constitute the work product of the subcommittee's study undertaken a little over a year ago.

The study cannot be considered completed, however. This subcommittee respectfully urges, by way of a final recommendation, that the 58th session of the legislature of Nevada continue, through its committee structure or by direction of the legislative commission, the work carried forward by the subcommittee. Wide ranging investigation could, profitably, be undertaken in the whole spectrum of local government from counties to cities and all districts in between.

V. Credits

A considerable contribution to this study was made by all those persons who appeared before the subcommittee during

its deliberations. The subcommittee, on this account, expresses its appreciation to all county officials, town officials and other public-spirited persons who responded to the invitation to participate.

General recognition, however, seems inadequate to discharge the subcommittee's debt for special services rendered. The Nevada tax commission, in the person of Mr. James C. Lien, assistant secretary, is, therefore, singled out for the contribution made to a better understanding of local government financing. Mr. David Henry, Clark County administrator, and Mr. William E. Adams, assistant city manager of Las Vegas, in their capacities as advisers to the Nevada city-county committee, contributed, immeasurably, to the subcommittee's grasp of the division of services, as among county, city and town.

QUESTIONNAIRE
ON
UNINCORPORATED TOWN GOVERNMENTS

(Name of Town)

Explanation: The Legislative Commission's Unincorporated Town Governments Subcommittee is making a wide distribution of this Questionnaire. Some of the questions, by their very nature, cannot or need not be answered by each person receiving the questionnaire. Please answer the questions on which you have information (or access to it) or on which you have an opinion, as the case may be.

1. General Information

a. When Formed? _____

b. How Formed:

(1) By Petition? _____

(2) By Disincorporation Procedure? _____

c. 1970 Population:

(1) Amount? _____

(2) How Determined? _____

d. 1973 Population:

(1) Amount? _____

(2) How Determined? _____

e. Boundaries:

(1) Affected by Annexation
(Specify)? _____

(2) Where Filed? _____

2. Governing Body

a. Town Board:

(1) How many members? _____

(2) How Chosen? _____

(3) Terms of Office? _____

(4) Residence Qualifications
(Specify)? _____

(5) In Effect Prior to
July 1, 1967 (Specify)? _____

b. Board of County Commissioners? _____

c. Advisory Council? _____

d. Advisory Board? _____

3. Finances

a. Revenue

(1) Ad Valorem Taxes

(a) Assessed Valuation:

Amount, 1971? _____

Amount, 1966? _____

Amount, 1961? _____

(b) Tax Rate:

1972? _____

1967? _____

1962? _____

(c) Tax Receipts:

Amount, 1972-73? _____

Amount, 1967-68? _____

Amount, 1962-63? _____

(2) Cigarette Tax Receipts:
[Available, since 1969, in Counties of less than
5,000 population, where the Town Board is the
Governing Body]

Amount, 1972-73? _____

Amount, 1971-72? _____

Amount, 1970-71? _____

Amount, 1969-70? _____

(3) Optional 1-cent Gasoline Tax Receipts:
[Available, since 1967, to all towns, when the
privilege exercised according to law, governed
by town boards]

Amount, 1972-73? _____

Amount, 1971-72? _____

Amount, 1970-71? _____

Amount, 1969-70? _____

Amount, 1968-69? _____

Amount, 1967-68? _____

(4) Business License Tax Receipts:

Amount, 1972-73? _____

Amount, 1971-72? _____

Amount, 1970-71? _____

Amount, 1969-70? _____

Amount, 1968-69? _____

Amount, 1967-68? _____

(5) County Gaming License Fees:

Amount, 1972-73? _____

Amount, 1971-72? _____

Amount, 1970-71? _____

Amount, 1969-70? _____

Amount, 1968-69? _____

Amount, 1967-68? _____

- (6) Allocated State Gaming License Fees:
[If available through resolution of Board of
County Commissioners]

Amount, 1972-73? _____

Amount, 1971-72? _____

Amount, 1970-71? _____

Amount, 1969-70? _____

Amount, 1968-69? _____

Amount, 1967-68? _____

b. Expenditures

- (1) Statutory Control
Provisions Adequate? _____

- (2) Suggestions for Better
Control? _____

c. Funds

(1) Any Funds In Addition to
General Fund and Debt
Service Fund (Specify)? _____

(2) Is There a Police Depart-
ment Fund or Fire Depart-
ment Fund? _____

d. Budget Control

(1) Is Present Provisions For
Nevada Tax Commission
Assistance Under the Local
Government Budget Act
Adequate (Specify)? _____

(2) Other Suggestions? _____

4. Services Provided

a. Police Protection? _____

b. Fire Protection? _____

c. Road Maintenance? _____

d. Snow Removal? _____

- e. Parks and Recreation
(Specify)? _____
- f. Solid Waste Disposal? _____
- g. Sewer System? _____
- h. Water System? _____
- i. Traffic Safety? _____
- j. Street Lights? _____
- k. Sidewalks? _____
- l. Curb and Gutter? _____
- m. Ambulance or Other Health
Service (Specify)? _____
- n. Other? _____

5. Ordinances or Town Code

- a. Any Adopted? _____
- b. Where Filed? _____

6. General Obligation Bonds For Public Improvement and Facilities

a. For What Purposes? _____

b. When Issued? _____

c. Amount Outstanding? _____

7. Changes Needed in Chapter 269 of NRS

a. In What Respects (Specify)? _____

b. Any Amendments? _____

c. Any Additions? _____

8. Other Comments? _____

DATE

(NAME)

(OFFICE)

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING
CARSON CITY, NEVADA 89701



LEGISLATIVE COMMISSION
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EARL T. OLIVER, *Legislative Auditor*
ARTHUR J. PALMER, *Research Director*

November 16, 1973

Mr. Robert Dotson, Chairman
Advisory Town Board
Panaca, Nevada 89042

Dear Mr. Dotson:

The 1973 Session of the Nevada Legislature indicated an interest in studying legislation affecting unincorporated town governments in Nevada. In this connection, it also demonstrated an interest in conducting an investigation of county government as it relates to the management of unincorporated towns in the state.

To carry out this legislative assignment, a Legislative Commission subcommittee has been appointed. Assemblyman Hal Smith and Senator Warren L. Monroe have been designated chairman and vice chairman, respectively, of this subcommittee. Other subcommittee members are Assemblymen Banner, Dreyer, Ford, Glover, Gojack and Hickey.

Certain members of the subcommittee will be in Tonopah on December 6 and 7 to conduct a meeting with county officials and with the various advisory town boards of towns in Esmeralda, Lincoln, Mineral, Nye and White Pine Counties. The meeting, under the chairmanship of Assemblyman Jean Ford, will be held in the Tonopah Convention Center and will commence at 10 a.m. on December 6.

As a member of the advisory town board of Panaca, you are cordially invited to attend. The subcommittee would like to have the benefit of your comments and observations generally and, particularly, with regard to the governmental affairs of Panaca.

A questionnaire is enclosed. The subcommittee feels that your considered judgment in answering the questions presented will provide it with valuable basic information on the variety of

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matters affecting Nevada towns, which are under study by the subcommittee. Please answer all the questions to the best of your ability to do so and return the questionnaire in the stamped, self-addressed envelope by November 30.

The subcommittee will make every effort to accommodate its rather tight schedule to your convenience on December 6. Should there be insufficient time at the meeting to cover all of the matters of particular interest to your town, the subcommittee would welcome correspondence with you on the subject. If, in your opinion, the unresolved matter is of sufficient importance to warrant it, arrangement might then be made for your appearance before the subcommittee at a later date.

As now planned, the subcommittee has allocated one-half hour to the representatives of each of the towns (board of county commissioners, where there is no town board) and one-half hour to the board of county commissioners in each county for discussion not necessarily limited to a particular town. The schedule for the meeting is:

December 6

10:00 a.m.	-	<u>Board of County Commissioners</u> <u>of Lincoln County</u>
10:30 a.m.	-	Alamo
11:00 a.m.	-	Panaca
11:30 a.m.	-	Pioche
12:00 noon	-	Lunch
1:00 p.m.	-	<u>Board of County Commissioners</u> <u>of Nye County</u>
1:30 p.m.	-	Beatty
2:00 p.m.	-	Manhattan
2:30 p.m.	-	Pahrump
3:00 p.m.	-	Round Mountain
3:30 p.m.	-	Tonopah
4:00 p.m.	-	<u>Board of County Commissioners</u> <u>of Esmeralda County</u>
4:30 p.m.	-	Goldfield
5:00 p.m.	-	Silver Peak

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December 7

10:00 a.m.	-	<u>Board of County Commissioners</u> <u>of White Pine County</u>
10:30 a.m.	-	East Ely
11:00 a.m.	-	Lund
11:30 a.m.	-	McGill
12:00 noon	-	Ruth
12:30 p.m.	-	Lunch
1:30 p.m.	-	<u>Board of County Commissioners</u> <u>of Mineral County</u>
2:00 p.m.	-	Hawthorne
2:30 p.m.	-	Luning
3:00 p.m.	-	Mina

Obviously, the matters to be presented and discussed in connection with some towns will make more of a demand on time than will be the case with other towns. The arbitrary scheduling is, simply, to make sure that all have a chance to be heard. You are, of course, invited to attend the whole or any part of the day's session, in addition to attending the session particularly designated for you.

The subcommittee members feel that this meeting is vital and, therefore, hope you will plan to attend or arrange to have someone appear on your behalf.

If you have any questions concerning this meeting, please write or call the undersigned at 882-7296.

Very truly yours,

Perry P. Burnett
Chief Deputy
Legislative Counsel

PPB:ch
encl

SUMMARY--Revises unincorporated town government law. Fiscal
Note: No. (BDR 20-370)

AN ACT relating to county government; revising the role of county government as it relates to unincorporated towns; providing for the formation of and government of unincorporated towns; declaring the services appropriate to town government; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND
ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 244 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 23, inclusive, of this act.

Sec. 2. Sections 2 to 23, inclusive, of this act, may be cited as the Unincorporated Town Government Law.

Sec. 3. Whenever used in sections 2 to 23, inclusive, of this act, unless a different meaning clearly appears from the context, the following words and terms defined in sections 4 to 6, inclusive, of this act have the meanings ascribed to them in such sections.

Sec. 4. "Advisory board" means the board created pursuant to the provisions of this act to assist the board of county commissioners in the government of an unincorporated town.

Sec. 5. "Board" means the board of county commissioners.

Sec. 6. "Unincorporated town" or "town" means a specific unincorporated area within a county in which one or more governmental services are provided by the county in addition to those services provided in the general unincorporated area of the county, for which the residents of such area pay through ad valorem taxes or for which other revenue is secured from within the area.

Sec. 7. 1. It is hereby found and declared that there is a need for special government services in certain unincorporated areas of counties.

2. It is further found and declared that such services heretofore have been provided under varying interpretations of law, leading to widespread disparity in the recognition of the role of town government.

3. It is further found and declared that the board of county commissioners is the proper governing body for such unincorporated areas.

4. Finally, it is found and declared that the residents of such areas have considerable interest in representative and participatory government for such areas.

Sec. 8. 1. The legislature states its avowed purpose herein to make unincorporated town government an adjunct of county government.

2. It is also the avowed purpose of the legislature herein to remove all doubt as to the dependent role of the unincorporated town and to declare that unincorporated town government is not to be considered another or a separate level of government.

Sec. 9. An unincorporated town may be formed by means of an initiative petition of the residents of any specified unincorporated area within a county or by resolution of a board of county commissioners, pursuant to the procedure established by sections 2 to 23, inclusive, of this act.

Sec. 10. 1. If the initiative petition method is followed, the procedures established by NRS 295.085 to 295.125, inclusive, for the adoption of county ordinances by initiative petition shall be followed, subject to the criteria set forth in section 11 of this act and provided the petitions are signed by a number of registered voters of the area equal to 51 percent or more of the number of voters in such area who voted at the last preceding general election in the county,

determined as nearly as is practicable from the voting records of the whole number of precincts within such area.

2. If the petitioners' committee desires to place the question of formation on the ballot, without reference to the board of county commissioners, the initiative petition shall be signed by a number of voters of the area equal to 10 percent or more of the number of voters in such area who voted at the last preceding general election in the county, determined as provided in subsection 1.

Sec. 11. 1. The initiative petition presented to the board or the question placed on the ballot, as provided in section 10 of this act, shall contain a statement substantially as follows:

The undersigned declare their purpose to be the support of the concept of unincorporated town government, that they desire hereby to make provision for the supplying of one or more of the town services enumerated in section 17 of this act and that they acknowledge the fact that the supplying of such service or services will require a special tax levy, the establishment of a user fee schedule or a combination of both.

2. The boundaries of such area sought to be brought within an unincorporated town area shall be clearly designated and declared. The area encompassed shall be contiguous.

Sec. 12. 1. Notwithstanding any other provision of law, if the petition presented to the board contains the requisite number of signatures and otherwise meets the requirements provided in section 11 of this act, the board shall proceed with the formation of a five-member advisory board.

2. Such advisory board members shall be appointed by the board from among the registered voters of the proposed unincorporated town area. Their term shall expire the day following the next general election.

Sec. 13. The board may, by resolution adopted at a regular meeting, place the question of the formation of a town government on the ballot at the next succeeding general election. As a part of such question there shall be included the statement that the affirmative vote carries with it the assent to be taxed for the service indicated in the board's resolution as being supplied.

Sec. 14. 1. At the same election in which the proposal for the formation of town government is submitted to the voters, whether by initiative petition or resolution of the board,

prospective members of the advisory board shall be elected.

2. Any person who is a registered voter in such proposed unincorporated town area and who desires to become a candidate for the position of advisory board member shall, at least 30 days before the date of such election, file in the office of the county clerk a notice of his intention to become such a candidate. The clerk shall place the name of each candidate on the official ballot.

3. If the proposed town government is approved at the election, members of the advisory board elected shall serve as such members until the next general election.

Sec. 15. Terms of office of members of the advisory board shall begin on the day following the general election.

Sec. 16. 1. Notwithstanding any other provision of law, the boards of county commissioners of the various counties in this state may enact ordinances to provide for and regulate the formation of unincorporated towns in the event specific unincorporated county areas are directed by federal or state law, for the reasons set out in subsection 2, to administer one or more of the services enumerated in subsection 2.

2. The services to be provided include but are not limited to solid waste disposal and compliance with federal water or air quality standards.

Sec. 17. 1. Town services, any one of which or any combination of which may be supplied to the residents of a particular unincorporated town are:

- (a) Cemetery;
- (b) Dump stations and sites;
- (c) Fire (volunteer);
- (d) Flood control and drainage;
- (e) Garbage collection;
- (f) Parks (neighborhood);
- (g) Recreation;
- (h) Sewage collection;
- (i) Streets;
- (j) Street lights;
- (k) Swimming pools;
- (l) Television translator; and
- (m) Water distribution.

2. Each unincorporated town shall be limited to that service or those services whose supply provided the basis for the formation of the town, as adjusted from time to time.

Sec. 18. 1. Except as provided in subsection 2, the board of county commissioners of any county may, by resolution adopted at a regular meeting, designate any one or more of the services enumerated in section 17 as properly within the power of an advisory board to manage.

2. Provision for dump stations and sites, volunteer fire fighting, flood control and drainage, sewage collection, streets and water distribution is a county responsibility. Advisory boards have no managerial power with respect to the supply of such services.

Sec. 19. 1. Each advisory board shall be scheduled to meet with the board at one of its regular meetings each month.

2. Recommendations and requests from advisory boards shall be heard at such meetings. A report of the board's determination on such matters shall be presented at the ensuing board meeting.

Sec. 20. Before any county-directed services are provided for any unincorporated town, the advisory board of such town shall be advised. Such information shall cover but shall not

be limited to commencement dates, completion dates and the scope of the work to be performed or the extent of the services to be supplied.

Sec. 21. 1. By agreement of the advisory boards affected, two or more unincorporated towns may join in a single codification of their respective town ordinances.

2. Publications of town codes by title only is recognized as sufficient for all purposes.

Sec. 22. Each board, in its discretion, may:

1. Solicit the advice of the advisory board in the preparation of the tentative budget for the town affected.

2. Allow towns to recommend their own ordinances and codes.

3. Allow advisory boards limited expenditure capability.

Sec. 23. It is hereby declared as a matter of legislative determination that:

1. Sound unincorporated town organization is essential to the continued economic development of this state.

2. Unincorporated towns are created to provide the governmental services essential for sound county government and for the protection of health, safety and welfare in areas being used for residential, commercial, industrial, institutional and governmental purposes.

3. Town boundaries should be extended, in accordance with legislative standards, to include such areas and to provide the high quality of governmental services needed therein for the protection of the public health, safety and welfare.

4. Areas annexed to towns in accordance with such uniform legislative standards should receive the services provided for the annexing town as soon as possible following the annexation.

5. Areas annexed to towns should include unincorporated areas adjacent to such towns and piecemeal annexation of unincorporated areas should be avoided, securing to residents within the area proposed to be annexed the right of protest.

Sec. 24. 1. The board of county commissioners of each county in which is located an unincorporated town shall make a complete report to the 59th session of the legislature, covering the status of unincorporated towns within its jurisdiction.

2. Such report shall indicate compliance with sections 2 to 23, inclusive, of this act or documented inability to comply.

SUMMARY--Revises law on disincorporation of cities. Fiscal
Note: No. (BDR 21-369)

AN ACT relating to disincorporation of cities; eliminating
obsolete references to incorporated towns; eliminating
automatic disincorporation; clarifying various provi-
sions; and providing other matters properly relating
thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND
ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 265.110 is hereby amended to read as follows:

265.110 The board of county commissioners of each county shall
have the power to disincorporate any city [or town] which may
have been incorporated under the laws of this state or the
Territory of Nevada upon the petition of a majority of the legal
voters residing within the corporate limits of such city ; [or
town;] but no corporation shall be dissolved by virtue of NRS
265.110 to 265.180, inclusive:

1. Unless it shall appear to the satisfaction of the board of
county commissioners that notice has been given of the intended
application for such dissolution of the corporation, by advertise-
ment in a newspaper published in the city [or town] praying to be
disincorporated, and in case no such newspaper be published in
the city , [or town,] then by written notice, posted in 3 of the
most public places in such city , [or town,] for at least 30 days
prior to such application.

2. Until all the liabilities of such city [or town] have been paid or secured to the satisfaction of the board of county commissioners.

Upon the appointment and qualification of the trustees, pursuant to the provisions of NRS 265.130 and 265.140, the city shall lose all corporate existence. Any pretended corporate act of the disincorporated city or of its corporate officers or agents shall be of no legal effect.

Sec. 2. NRS 265.120 is hereby amended to read as follows:

265.120 1. No dissolution of any corporation under NRS 265.110 to 265.180, inclusive, shall invalidate or affect any right, penalty or forfeiture accruing to such corporation, or invalidate or affect any contract entered into or imposed upon such corporation.

2. If there shall be any debt or outstanding bonds of any disincorporated city, the board of county commissioners shall provide for the payment of the principal and interest of the same substantially in the time, manner and form provided by law or ordinance touching the same at the time of disincorporation, substituting the district established in lieu of the city disincorporated.

Sec. 3. NRS 265.130 is hereby amended to read as follows:

265.130 Whenever the board of county commissioners shall dissolve any corporation, the board [may] shall appoint three competent persons to act as trustees for the corporation so dissolved.

Sec. 4. NRS 265.140 is hereby amended to read as follows:

265.140 The trustees, before entering upon the discharge of their duties, shall:

1. Take and subscribe an oath before some judge or justice of the peace, that they will faithfully discharge the duties of their office.

2. Give bond, with sufficient sureties, to be approved by the board of county commissioners, to the use of such disincorporated city [or town,] conditioned for the faithful discharge of the duties of their office.

Sec. 5. NRS 265.170 is hereby amended to read as follows:

265.170 If any city [or town,] disincorporated as provided in NRS 265.110 to 265.180, inclusive, have annual revenue accruing thereto, the same shall be paid to the board of county commissioners by persons owing the same, and all moneys thus paid, as well as all moneys paid to the trustees, shall be held and disposed of by the board for the benefit of such city [or town,] and may be applied by the board to any specific object upon the petition of a majority of the taxable inhabitants of the city [or town,] provided always, that all of the just and lawful debts, dues and demands against the corporation shall have been first paid.

Sec. 6. NRS 265.010 to 265.100, inclusive, 266.775, 266.780, 266.785, 266.790 and 266.795 are hereby repealed.

SUMMARY--Removes unincorporated towns from local government finance laws. Fiscal Note: No. (BDR 27-371)

AN ACT relating to local government finances; providing for the removal of unincorporated towns from the local government category; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND
ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 269.115 is hereby amended to read as follows:

269.115 [1. Except as provided in subsection 2, in addition to the powers and jurisdiction conferred by other laws, the boards of county commissioners of the counties of this state shall have the power and duty to levy a tax, not exceeding 1.5 percent per annum, upon the assessed value of all real and personal property, including the proceeds of mines, situated in any unincorporated town or city in their respective counties, made taxable by law for state and county purposes.

2. In addition to the taxes levied in accordance with the provisions of subsection 1, each] Each board of county commissioners shall levy a tax for the payment of interest and redemption of outstanding bonds of [the] any unincorporated town [or city] issued pursuant to the provisions of NRS 269.400 to 269.470, inclusive.

Sec. 2. NRS 332.020 is hereby amended to read as follows:

332.020 For the purpose of this chapter "local government" means every political subdivision or other entity which has the right to levy or receive moneys from ad valorem taxes, or other taxes or from any mandatory assessments and includes without limitation counties, cities, [towns,] school districts and other districts organized pursuant to chapters 244, 309, 318, 379, 450, 473, 474, 539, 540, 541, 542, 543, and 555 of NRS, county fair and recreation boards and the Las Vegas Valley Water District.

Sec. 3. NRS 350.002 is hereby amended to read as follows:

350.002 1. There is hereby created in each county a general obligation bond commission, to be composed of one representative of the county, one representative of the school district and the following additional representatives:

(a) In each county which contains more than one incorporated city : [or town:]

(1) One representative of the city [or town] in which the county seat is located;

(2) One representative of the other incorporated cities [or towns] jointly; and

(3) One representative of the public at large.

(b) In each county which contains but one incorporated city ; [or town:]

(1) One representative of the incorporated city ; [or town;] and

(2) Two representatives of the public at large.

(c) In each county which contains no incorporated city , [or town,] one representative of the public at large.

2. In Carson City, there is hereby created a general obligation bond commission, to be composed of one representative of the board of supervisors, one representative of the school district and three representatives of the public at large.

3. Each representative of a single local government shall be chosen by its governing body. Each representative of two or more local governments shall be chosen by their governing bodies jointly, each governing body having one vote. Each representative of the public at large shall be chosen by the other members of the commission from residents of the county, or Carson City, as the case may be, who have a knowledge of its financial structure. A tie vote shall be resolved by lot.

4. The first members of the commission shall be chosen within 30 days following July 1, 1965, and shall serve until December 31, 1966. Their respective successors shall be

chosen in January of each odd-numbered year beginning in 1967, and shall hold office for a term of 2 years beginning January 1, except the representatives of incorporated cities , [or towns,] who shall be chosen after elections are held in the cities [or towns] but prior to the annual meeting of the commission.

5. Any vacancy shall be filled in the same manner as the original choice was made for the remainder of the unexpired term.

Sec. 4. NRS 350.010 is hereby amended to read as follows:

350.010 As used in NRS 350.010 to 350.070, inclusive:

1. "Clerk" means the clerk, secretary, or other like officer of the municipal corporation.

2. "General election" means a general election, primary election, or regular municipal election.

3. "Governing body" means the board of county commissioners, city council, city commission, board of supervisors, board of directors or other governing body of the municipal corporation.

4. "Municipal corporation" means a county [, city or town.] or city.

Sec. 5. NRS 350.020 is hereby amended to read as follows:

350.020 1. Whenever any municipal corporation in the State of Nevada proposes to issue bonds or provide for loans in any

amount within the limit of indebtedness authorized by law, the proposal for the bond issue or loan shall be submitted to the electors of the municipal corporation at a general election or a special election called for that purpose.

2. The provisions of NRS 350.010 to 350.070, inclusive, shall not be applicable:

(a) To incorporated cities organized or reorganized and existing under the provisions of any special legislative act or special charter enacted or granted pursuant to the provisions of section 1 of article 8 of the constitution of the State of Nevada; or

(b) To incorporated cities [or incorporated towns] organized or reorganized and existing under charters originally framed and adopted (and regardless of any amendments thereof or the method of amendment) by the electors thereof pursuant to section 8 of article 8 of the constitution of the State of Nevada.

3. Nothing contained in this section shall prevent the adoption of the provisions of NRS 350.010 to 350.070, inclusive, by reference thereto in any such act, any such special charter, other such charter, or ordinance or resolution of any such city [or any such town.]

Sec. 6. NRS 350.360 is hereby amended to read as follows:

350.360 Wherever used in NRS 350.350 to 350.490, inclusive, unless a different meaning clearly appears from the context:

1. "Governing body" means the board of county commissioners, city council, city commission, board of supervisors, [town council, town board,] board of directors or board of trustees of a district, or other local legislative body by whatever name known of a municipality.

2. "Municipality" means:

(a) A county.

(b) An incorporated city . [or an incorporated town.]

(c) [An unincorporated town or an unincorporated city.

(d)] An improvement district authorized to acquire and operate a sewer system or a water system or both such systems pursuant to the provisions of NRS 309.030 and all laws supplemental thereto.

[(e)] (d) A general improvement district authorized to furnish sanitary sewer facilities or water facilities or both such facilities pursuant to the provisions of NRS 318.116 and all laws supplemental thereto.

[(f)] (e) Any other district or other type political subdivision of the state which is authorized by law any undertaking.

3. "Undertaking" includes the following revenue-producing undertakings or any combination of two or more of such undertakings, whether now existing or hereafter acquired or constructed: Systems, plants, works, instrumentalities and properties used or useful in connection with:

(a) The obtaining of a water supply and the conservation, treatment and disposal of water for public and private uses.

(b) The collection, treatment and disposal of sewage, waste and storm water, together with all parts of any such undertaking and all appurtenances thereto, including lands, easements, rights in land, water rights, contract rights, franchises, approaches, dams, reservoirs, sewage disposal plants, intercepting sewers, trunk, connection and other sewer and water mains, filtration works, pumping stations and equipment.

Sec. 7. NRS 350.508 is hereby amended to read as follows:

350.508 "Chairman" or "chairman of the municipality" or any phrase of similar import means the de facto or de jure chairman of the board of county commissioners, mayor of the city, [or town,] president of the board of trustees of the school district, chairman of the board of directors of any other type district, or the president thereof, or any other presiding officer or titular head of the municipality, or his successor in functions, if any.

Sec. 8. NRS 350.510 is hereby amended to read as follows:

350.510 "Clerk" means the de facto or de jure county clerk, city clerk, [town clerk,] clerk of the board of trustees of the school district, secretary or clerk of the board of directors of any other type district, or other officer of the municipality who is the custodian of any seal of the municipality and of the records of the proceedings of the municipality's governing body, or his successor in functions, if any.

Sec. 9. NRS 350.524 is hereby amended to read as follows:

350.524 "Governing body" means the board of county commissioners, city council, city commission, board of supervisors, [town council,] board of trustees of the school district, board of directors or trustees of any other type district, or other local legislative or governing body of the municipality.

Sec. 10. NRS 350.538 is hereby amended to read as follows:

350.538 "Municipality" means any county, any incorporated city [or town] (including without limitation any city [or town] organized under the provisions of a special legislative act or other special charter), any [unincorporated city or town, any] school district, or any quasi-municipal district (including without limitation any district governed by Title 25 of NRS) of this state. Where the context so indicates,

"municipality" means the geographical area comprising the municipality.

Sec. 11. NRS 354.474 is hereby amended to read as follows:

354.474 1. Except as otherwise provided in subsection 2, the provisions of NRS 354.470 to 354.626, inclusive, shall apply to all local governments. For the purpose of NRS 354.-470 to 354.626, inclusive, "local government" means every political subdivision or other entity which has the right to levy or receive moneys from ad valorem or other taxes or any mandatory assessments, and includes without limitation counties, cities, [towns,] boards, school districts and other districts organized pursuant to chapters 244, 309, 318, 379, 474, 540, 541, 542, 543 and 555 of NRS, NRS 450.550 to 450.700, inclusive, and any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision.

2. An irrigation district organized pursuant to chapter 539 of NRS shall fix rates and levy assessments as provided in NRS 539.667 to 539.683, inclusive. The levy of such assessments and the posting and publication of claims and annual financial statements as required by chapter 539 of NRS shall be deemed compliance with the budgeting, filing and publication

requirements of NRS 354.470 to 354.626, inclusive, but any such irrigation district which levies an ad valorem tax is required to comply with the filing and publication requirements of NRS 354.470 to 354.626, inclusive, in addition to the requirements of chapter 539 of NRS.

Sec. 12. NRS 365.560 is hereby amended to read as follows:

365.560 1. The receipts of the tax as levied in NRS 365.190 shall be allocated monthly by the tax commission to the counties in which the tax payment originates. All receipts of such tax originating in Carson City shall be allocated monthly to Carson City.

2. Such receipts shall be apportioned between the county [, towns with town boards as organized under NRS 269.016 to 269.019, inclusive,] and incorporated cities within the county from the general road fund of the county in the same ratio as the assessed valuation of property within the boundaries of such [towns or] incorporated cities within the county bears to the total assessed valuation of property within the county, including property within the [towns or] incorporated cities.

3. All such money so apportioned to a county or Carson City shall be expended by the county or Carson City solely for the service and redemption of revenue bonds issued pursuant to

chapter 373 of NRS, for the construction, maintenance and repair of the public highways of the county or Carson City and for the purchase of equipment for such work, and shall not be used to defray the expenses of administration.

4. All such money so apportioned to [towns or] incorporated cities shall be expended only upon the streets, alleys and public highways of such [town or] city, other than state highways, under the direction and control of the governing body of the [town or] city.

Sec. 13. NRS 370.260 is hereby amended to read as follows:

370.260 1. All taxes and license fees imposed by this chapter, less any refunds granted as provided by law, shall be paid to the tax commission in the form of remittances payable to the Nevada tax commission.

2. The tax commission shall:

(a) As compensation to the state for the costs of collecting the taxes and license fees, transmit on a monthly basis such sum as the legislature shall specify from the remittances made to it pursuant to subsection 1 during the preceding month to the state treasurer, who shall deposit the same to the credit of the tax commission. Such deposited moneys shall be expended by the tax commission in accordance with its work program established pursuant to law.

(b) Transmit the balance of such payments each month to the state treasurer to be deposited in the state treasury to the credit of the cigarette tax fund.

(c) Report to the state controller monthly the amount of collections.

3. The money in the cigarette tax fund is hereby appropriated to Carson City and to each of the counties in proportion to their respective populations as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce; the amount in such fund which was collected during the preceding month shall be apportioned and distributed by the state treasurer as follows:

(a) In counties having a population of 5,000 or more:

(1) If there are no incorporated cities within the county, the entire amount shall go into the county treasury.

(2) If there is one incorporated city within the county the money shall be apportioned between the city and the county on the basis of the population of such city and the population of such county excluding the population of such city, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce.

(3) If there are two or more incorporated cities within the county, the entire amount shall be apportioned among such cities in proportion to their respective populations as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce.

(b) In counties having a population of less than 5,000:

(1) If there are no incorporated cities [or unincorporated towns] within the county, the entire amount shall go into the county treasury.

(2) If there is one incorporated city [or one unincorporated town] within the county the money shall be apportioned between the city [or town] and the county on the basis of the population of such city [or town] and the population of such county excluding the population of such city [or town,] as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, regardless of the form of government of such city [or town] at the time such census was conducted.

(3) If there are two or more incorporated cities [or unincorporated towns or an incorporated city and an unincorporated town] within the county, the entire amount shall be apportioned among such cities [or towns] in proportion to their respective

populations as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, regardless of the form of government of such city [or town] at the time such census was conducted.

(c) In Carson City the entire amount shall go into the city treasury.

[4. For the purposes of this section, "unincorporated town" means only those towns governed by town boards organized pursuant to NRS 269.016 to 269.019, inclusive.]

Sec. 14. NRS 463.320 is hereby amended to read as follows:

463.320 1. All gaming license fees imposed by the provisions of NRS 463.370, 463.373, 463.375, 463.380, 463.383 and 463.390 shall be collected and disposed of as herein provided.

2. All state gaming license fees and penalties shall be collected by the commission and paid over immediately to the state treasurer to be disposed of as follows:

(a) All state gaming license fees and penalties other than the license fees imposed by the provisions of NRS 463.380 shall be deposited for credit to the general fund.

(b) All state gaming license fees imposed by the provisions of NRS 463.380 shall, after deduction of costs of administration and collection, be divided equally among the various counties

and transmitted to the respective county treasurers. Such fees, except as otherwise provided herein, shall be deposited by the county treasurer in the county general fund and shall be expended for county purposes. If the board of county commissioners desires to apportion and allocate all or a portion of such fees to one or more incorporated [or unincorporated] cities [or towns] within the county, the board of county commissioners shall, annually, prior to the preparation of the city [or town] budget or budgets as required by chapter 354 of NRS, adopt a resolution so apportioning and allocating a percentage of such fees anticipated to be received during the coming fiscal year to such city or cities [or town or towns] for the next fiscal year commencing July 1. After the adoption of the resolution the percentage so apportioned and allocated shall be converted to a dollar figure and included in city [or town] budget or budgets as an estimated receipt for the next fiscal year. Quarterly upon receipt of the moneys from the state, the county treasurer shall deposit an amount of money equal to the percentage so apportioned and allocated to the credit of the city [or town fund] to be used for city [or town] purposes, and the balance remaining shall be deposited in the county general fund and shall be expended for county purposes.

3. (a) County license fees shall be collected by the sheriff, and no license money paid to the sheriff shall be refunded, whether the slot machine, game or device for which such license was issued has voluntarily ceased or its license has been revoked or suspended, or for any other reason.

(b) The sheriff in his county shall demand that all persons required to procure county licenses in accordance with this chapter take out and pay for the same, and he shall be held liable on his official bond for all moneys due for such licenses remaining uncollected by reason of his negligence.

(c) On or before the 5th day of each month the sheriff shall pay over to the county treasurer all moneys received by him for licenses and take from the county treasurer a receipt therefor, and he shall immediately on the same day return to the county auditor all licenses not issued or disposed of by him as is by law provided in respect to other county licenses.

(d) All moneys received for county gaming licenses under this chapter shall be paid: 25 percent to the state treasurer for credit to the general fund of the state, and 75 percent shall be retained by the county treasurer for credit to the county general fund, [except:

(1) Where] except where the license is collected within the boundaries of any incorporated city , [or town,] the county shall retain 25 percent of such moneys, and the incorporated city [or town] shall receive 50 percent of such moneys, which shall be paid into the general fund of such incorporated city . [or town.

(2) Where the license is collected within the boundaries of any unincorporated city or town that is under the control of the board of county commissioners under and by virtue of chapter 269 of NRS, the county shall retain 25 percent of such moneys, and 50 percent of such moneys so collected shall be placed in the town government fund for general use and benefit of such unincorporated city or town.]

Sec. 15. NRS 710.400 to 710.590, inclusive, are hereby repealed.

Sec. 16. This act shall become effective July 1, 1977.